

Financial Regulation: Weekly Update. 20 March 2015

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EUROPE

- EBA consults on banks' exposures to shadow banking

Guidelines for institutions to set limits on these exposures. It will help EC decide on the establishment of mandatory limits. Open to: 19 Jun.

- EBA updates the European banking sector risk dashboard

Confirms a positive trend in the capitalisation of banks for retained earnings and capital issuances and indicates continued high levels of non-performing loans.

- EC presents new tax transparency package

The key element is a legislative proposal to introduce automatic exchange of information on tax rulings among EU Member States. Next step: action plan on corporate taxation in summer 2015.

- EBA publishes final implementing technical standards and guidelines

It introduces minor changes in the standards for supervisory reporting, to be applicable as of Jun 2015. It publishes guidelines to standardize fee terminology for payment accounts in EU.

- Council adopts new rules on insolvency proceedings

It aims to make cross-border insolvency proceedings more efficient and present entrepreneurs with a second chance. The scope has been extended to go further than liquidation proceedings. Next step: approval by EP before summer.

- ESMA analyzes automated trading systems in the EU

It points to increased convergence in supervisory practices as well as in the level of supervision.

- ESRB revises national macro-prudential measures in the EU

It updates as of 11 Mar all of the measures notified or that the ESRB is aware of, broken down by countries.

UNITED KINGDOM

- [UK Government consults on amendments for Central Securities Depositories](#)

Asks for views on current definition of Recognised Clearing Houses (RCH). Open to: 8 May

- [PRA and FCA seek to strengthen accountability in banking](#)

PRA consults on extending the Senior Managers Regime (SMR) to UK branches of non-EEA banks (open to: 25 May). FCA confirms implementation of SMR and provides further information on plans for Certification Regime.

- [FCA consults on risks posed to consumers by inappropriate practices](#)

Proposes guidelines to correct inappropriate practices that could originate from pressure to meet sales objectives. Open to: 15 May.

- [UK Government reports on action to increase competition in banking](#)

It lists already implemented measures, identifies progress in the level of competition and announces further measures building on recent work.

UNITED STATES

- [Fed consults on Legal Entity Identifiers \(LEI\) for banking organisations](#)

Proposes that banking organisations include the LEI, an alphanumeric code that provides the identification of legal entities, on certain reporting forms as of 30 Jun. Consultation period: 60 days.

GLOBAL

- [BCBS favourably assesses the implementation of Basel III in Mexico and Hong Kong](#)

Both capital standards and the Liquidity Coverage Ratios (LCR) were assessed positively in both countries. It indicates that national standards are stricter than global standards in various aspects. It has also published actions and plans from Brazil, China, Japan, Singapore and Switzerland in response to assessments from 2012-13.

- [BCBS and IOSCO publish final framework of margin requirements for derivatives](#)

It involves non-centrally cleared derivatives. It aims at reducing systemic risk and promoting central clearing.

Recent publications of interest in English and Spanish:

- [Regulation Outlook](#). February 2015
- [Regulation Watch](#): Completing Banking Union
- [Regulation Watch](#): TLAC QIS: the next milestone in designing the optimal loss-absorbing framework
- [Regulation Flash](#): First step towards a Capital Markets Union

Earlier editions of our Financial Regulation: Weekly Update in [Spanish](#) and in [English](#).

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